

# Byron L. Dorgan

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## **DORGAN LEADING THE PUSH TO RESTORE MEDICARE FUNDING FOR RURAL HOSPITALS**

(KENMARE, N.D.) --- U.S. Senator Byron Dorgan hosted a meeting in Kenmare Tuesday morning to discuss the financial crisis facing local hospitals serving rural North Dakotans and to update hospital administrators on his efforts to provide relief for struggling rural hospitals during this session of Congress. Dorgan met with key hospital administrators from Bottineau, Crosby, Garrison, Harvey, Kenmare, Minot, Rolla, Rugby, Stanley, Tioga, and Watford City and representatives of the North Dakota Healthcare Association.

Dorgan is a member of the Senate Democratic Leadership. He is leading an effort in Congress to take corrective action to restore Medicare funding cut in 1997, cuts that were too deep for many healthcare facilities and especially for rural hospitals. Medicare funds were reduced for hospital services, outpatient services, home health care, lab procedures and ambulance reimbursement, all areas that have a profound impact on the ability of rural hospitals to provide care.

"The Balanced Budget Act of 1997 included cuts that were intended to restrain costs by reducing Medicare payments. However some of those cuts were too deep, causing a substantial loss of income for rural hospitals," Dorgan said. "We need to take corrective action now to restore those cuts and provide a basis for fair payment in a range of areas that will help rural hospitals continue to meet the needs of local communities."

Dorgan said he and his colleagues plan to introduced comprehensive legislation to restore the Medicare funding for rural hospitals when Congress reconvenes in September. This legislation will include all of the provisions of the H-Care bill Dorgan has co-sponsored with Senator Kent Conrad and other provisions as well.

Specifically, Dorgan said the ten-year, \$80 billion bill, called the "Comprehensive BBA Refinement and Access to Care" will include:

- Payment adjustments for all hospitals, a measure that will help 36 rural hospitals in North Dakota
- Improved payments for Critical Access Hospitals to bring reimbursement for physical and lab services in line with other services. Eight critical access hospitals in North Dakota will benefit from this provision.

- Increased payments for Sole Community Hospitals, a measure that will assist 13 rural hospital in North Dakota by allowing them to update their basis for reimbursements.
- Capital loan funds to be used by rural hospitals to improve their physical infrastructure.
- Increased payments for home health medical equipment and a measure to prevent further reductions in home health payments.
- An increase in nursing home payments to allow them to keep up with increased costs.
- Grants for updating technology at hospitals with 50 beds or fewer to establish data systems to meet the requirements of the Medicare program.